

Legislative Update  
Friday, February 25, 2011

**Real Estate Industry Related Bills:**

**HB2005 subdivisions; acting in concert (Sponsor: Representative Burges):** as amended, makes various changes to the statutes governing subdivisions, acting in concert and the Arizona Department of Real Estate.

- States that the county where the division occurred OR the ADRE, but not both, may enforce statutory prohibitions against acting in concert
- Stipulates that "familial relationship" alone is not sufficient to constitute unlawful acting in concert
- States that for a subdivision consisting of ten or fewer lots, tracts or parcels, the board of supervisors for that county may waive the requirement to prepare, submit and receive approval of a preliminary plat as a condition precedent to submitting a final plat.
- States that the definition of subdivision does not include the sale or lease of a lot, parcel or fractional interest that occurs ten or more years after the sale or lease of another lot, parcel or fractional interest IF the other lot, parcel or fractional interest is not subject to the Article and is treated as an independent parcel
- Removes the provision that allows the commissioner to "take whatever other action he deems necessary to ensure compliance with the subdivision laws of this state."
- States that the Commissioner has five years after the date of an initial complaint or initiation of an investigation by the commissioner to determine if the sale or lease of land has violated subdivision statutes

This bill passed out of the House with 39 ayes, 20 nays, 1 not voting on 2/17/11. The bill will now move to the Senate. The Department's position is **neutral** with concerns.

**HB2193 municipal water charges; responsibility (Sponsor: Representative JP Weiers):** places additional restrictions on whom municipalities may penalize for unpaid water and wastewater charges; prohibits municipalities from requiring payment for unpaid water and wastewater rates from anyone other than the person who made the contract, resided at the property, and received the service.

**HB2264 home sales; water supply disclosure (Sponsor: Representative Ableser):** mandates the disclosure of water supply status by a subdivider and requires a statement of the water supply status to be recorded with the county recorder if the subdivision is outside of an Active Management Area.

**HB2545 homeowners' associations; rental restrictions (Sponsor: Representatives Heinz, Patterson, Gowan et al):** prevents homeowners' associations from restricting the leasing and rental of properties and units.

**HB2609 homeowners' associations; signs; political; leasing (Sponsor: Representative Barton):** modifies the statutes governing the display of for sale, rent, lease, or political signs in



condominium and planned communities and allows the prohibition of signs that are not commercially produced.

**SB1148 homeowners' associations; disputes; administrative hearings (Sponsor: Senator Biggs):** States that the Department of Fire, Building and Life Safety, through its hearing officer function, applies and enforces statutes regulating condominiums and planned communities.

**SB1149 planned communities; condominiums; document fees (Sponsor: Senator Biggs):** limits, for documents that cannot be transmitted electronically, the fee that a planned community and condominium association can charge a unit owner for the preparation of required documents with the resale of a unit to ten cents per page.

**SB1292 real estate; education; broker requirements (Sponsor: Senator Griffin):** as amended, changes the number of days a designated broker has to review listing agreements, purchase or nonresidential lease agreements, or similar documents from five to ten business days and defines business day.

**Bills that would affect the Department of Real Estate:**

**SB1458 professional licensure; out-of-state applicants (Sponsor: Senators Sinema & Driggs):** as amended, requires professional licenses and certificates to be issued to a person married to an active duty member of the U.S. Armed Forces who is licensed or certified in another state, if certain conditions are met.

**SB1585 military operations; real estate disclosure (Sponsor: Representative Burges):** adds military operations area to real estate disclosure provisions; requires the department to post military operations maps on the website and to file them with the office of the county recorder.

\*Please visit [www.azleg.gov](http://www.azleg.gov) and insert the bill number in the top right hand corner of the screen to view information about these and other bills.

\*Please note that this list is not comprehensive, it is a selection of real estate related bills that are currently moving through the legislature.